



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-074]

Common Alloy Aluminum Sheet from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission of Review, in Part, and Intent to Rescind, in Part; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of common alloy aluminum sheet (aluminum sheet) from the People's Republic of China (China). The period of review (POR) is April 23, 2018, through December 31, 2019.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: John McGowan or Natasia Harrison, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3019 or (202) 482-1240, respectively.

SUPPLEMENTARY INFORMATION:

Background

On April 8, 2020, Commerce published a notice of initiation of an administrative review of the countervailing duty (CVD) order¹ on aluminum sheet from China.² On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.³ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.⁴ On January

¹ See *Common Alloy Aluminum Sheet from the People's Republic of China: Countervailing Duty Order*, 84 FR 2157 (February 6, 2019) (*Order*).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 19730 (April 8, 2020).

³ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁴ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

25, 2021, Commerce extended the deadline for the preliminary results of this review until June 18, 2021.⁵

Based on timely withdrawal of requests for administrative review, Commerce intends to partially rescind the administrative review of two entities.⁶ Therefore, concurrently with these preliminary results, we are rescinding the review with respect to these companies

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.⁷ A list of topics discussed in the Preliminary Decision Memorandum is included at Appendix I of this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

Scope of the *Order*

The merchandise covered by the *Order* is aluminum sheet from China. For a complete description of the scope of the *Order*, *see* Appendix II.

Rescission of Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if the party or parties that requested a review withdraw the request within 90 days of the publication date of the notice of initiation of the requested review. As noted above, all requests for administrative review were timely withdrawn for certain companies. Therefore,

⁵ *See* Memorandum, "Common Alloy Aluminum Sheet from the People's Republic of China: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 4/23/2018 – 12/31/2019," dated January 25, 2021.

⁶ *See* Texarkana Aluminum, Inc.'s Letter, "Common Alloy Aluminum Sheet (CAAS) from China, Antidumping (AD) & Countervailing Duty (CVD) Administrative Reviews," dated April 9, 2020; and Domestic Industry's Letter, "1st Administrative Review of the Countervailing Duty Order on Common Alloy Aluminum Sheet from the People's Republic of China – Domestic Industry's Withdrawal of Certain Requests for Administrative Reviews," dated August 19, 2020.

⁷ *See* Memorandum, "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Common Alloy Aluminum Sheet from the People's Republic of China; 2018-2019," dated concurrently, and hereby adopted by, this notice (Preliminary Decision Memorandum).

in accordance with 19 CFR 351.213(d)(1), we are rescinding this administrative review with respect to: Luoyang Longding Aluminium Industries Co., Ltd. and Multipanel UK Ltd.

Intent to Rescind Administrative Review, in Part

Pursuant to 19 CFR 351.213(d)(3), we intend to rescind this review following the publication of the final results on the basis of no reviewable suspended entries of subject merchandise, according to the U.S. Customs and Border Protection (CBP) data, with respect to Teknik Aluminyum Sanayi A.S. and Companhia Brasileira De Aluminio, which filed no shipment letters,⁸ and with respect three additional companies (*i.e.*, Choil Aluminum Co., Ltd; PMS Metal Profil Aluminyum San. Ve Tic. A.S. Demirtas Organize Sanayi Bolgesi; and United Metal Coating LLC). *See* the Preliminary Decision Memorandum for a full discussion.

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution from an “authority” that confers a benefit to the recipient, and that the subsidy is specific.⁹ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available (AFA) pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that the Government of China did not act to the best of its ability to respond to Commerce’s request for information, it drew an adverse inference where appropriate in selecting from among the facts otherwise available. For further information, *see* “Use of Facts Otherwise Available and Adverse Inferences” in the Preliminary Decision Memorandum.

⁸ *See* Memorandum, “Common Alloy Aluminum Sheet from the People’s Republic of China: Release of U.S. Customs and Border Protection Data,” dated April 16, 2020; *see also* Memorandum, “Common Alloy Aluminum Sheet from the People’s Republic of China; No Shipment Inquiry for Teknik Aluminyum Sanayi A.S. and Companhia Brasileira de Aluminio during the period 04/23/2018 through 12/31/2019,” dated June 11, 2021.

⁹ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5)(A) of the Act regarding specificity.

Preliminary Rate for Non-Selected Companies Under Review

There is one company for which a review was requested, that had reviewable entries, and that was not selected for individual examination as a mandatory respondent or found to be cross-owned with a mandatory respondent. Because the rate calculated for the mandatory respondent, Jiangsu Alcha Aluminum Co., Ltd. (Jiangsu Alcha),¹⁰ is above *de minimis* and is not based entirely on facts available, we applied the subsidy rate calculated for Jiangsu Alcha to this non-selected company. This methodology to establish the subsidy rate for the non-selected company is consistent with our practice and with section 705(c)(5)(A) of the Act.¹¹

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for the mandatory respondent Jiangsu Alcha. We determined the countervailable subsidy rate for Mingtai Industrial Co., Ltd./Zhengzhou Mingtai Industry Co. and Yong Jie New Material Co., Ltd. based entirely on AFA, in accordance with section 776 of the Act. Therefore, the only rate that is not zero, *de minimis*, or based entirely on facts otherwise available is the rate calculated for Jiangsu Alcha. Consequently, as discussed above, we are assigning to all other producers and exporters subject to this review but not selected for individual examination (*i.e.*, non-selected companies) the rate calculated for Jiangsu Alcha.

Commerce preliminarily determines that, during the POR, the following countervailable subsidy rates exist:

¹⁰ Jiangsu Alcha and its cross owned companies include Alcha International Holdings Limited; Baotou Alcha Aluminum Co., Ltd.; and Jiangsu Alcha New Energy Materials Co., Ltd.

¹¹ The petitioners initially requested a review and did not subsequently withdraw its request for review of one company: Yinbang Clad Material Co., Ltd.

Company	Subsidy Rate - 2018 (percent <i>ad valorem</i>)	Subsidy Rate – 2019 (percent <i>ad valorem</i>)
Mingtai Industrial Co., Ltd./Zhengzhou Mingtai Industry Co. ¹²	275.98% *	275.98% *
Jiangsu Alcha Aluminum Co., Ltd. ¹³	36.76%	30.64%
Yong Jie New Material Co., Ltd. ¹⁴	275.98% *	275.98% *
Yinbang Clad Material Co., Ltd. ¹⁵	36.76%	30.64%

*Rate based on AFA.

Assessment Rate

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the two companies for which this review is rescinded with these preliminary results, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate

¹² This rate applies to Mingtai Industrial Co., Ltd./Zhengzhou Mingtai Industry Co. and their cross-owned company: Henan Gongdian Thermal Co., Ltd. In the CVD investigation of aluminum sheet from China, we made this cross-ownership finding. See *Common Alloy Aluminum Sheet From the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination, Alignment of Final CVD Determination With Final Antidumping Duty Determination, and Preliminary CVD Determination of Critical Circumstances*, 83 FR 17651 (April 23, 2018), and accompanying Preliminary Decision Memorandum, unchanged in *Countervailing Duty Investigation of Common Alloy Aluminum Sheet from the People's Republic of China: Final Affirmative Determination*, 83 FR 57427 (November 15, 2018), and accompanying Issues and Decision Memorandum (collectively, *Aluminum Sheet from China Investigation*). Accordingly, the subject merchandise that was produced/exported by these companies entered under a single CBP case number during the period of review.

¹³ This rate applies to Jiangsu Alcha and its cross-owned companies.

¹⁴ This rate applies to Yong Jie New Material Co., Ltd. and its cross-owned companies: Nanjie Resources Co., Ltd.; Shejiang Nanjie Industry Co., Ltd, Zhejiang Yongjie Aluminum Co., Ltd. also known as Zhejiang Yong Jie Aluminum Co., Ltd., and Zhejiang Yongjie Holding Co., Ltd. In the *Aluminum Sheet from China Investigation*, we made this cross-ownership finding. Accordingly, the subject merchandise that was produced/exported by these companies entered under a single CBP case number during the POR.

¹⁵ Yinbang Clad Material Co., Ltd. was not individually examined during the POR and, therefore, has received the non-selected company rate.

equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period April 23, 2018, through December 31, 2018, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions directly to CBP no later than 35 days after publication of this notice in the *Federal Register*.

Cash Deposit Rate

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated above for 2019 with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit instructions, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.¹⁶ Interested parties may submit written comments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within seven days after the time limit for filing case briefs.¹⁷ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief

¹⁶ See 19 CFR 224(b).

¹⁷ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

summary of the argument; and (3) a table of authorities.¹⁸ Note that Commerce has modified certain of its requirements for serving documents containing business proprietary information.¹⁹

Interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.²⁰ Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce will inform parties of the scheduled date of the hearing.²¹ Issues addressed during the hearing will be limited to those raised in the briefs.²² Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date. Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5 p.m. Eastern Time on the due date.

Unless extended, we intend to issue the final results of this administrative review, which will include the results of our analysis of the issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Notification to Interested Parties

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: June 17, 2021.

Christian Marsh
Acting Assistant Secretary
for Enforcement and Compliance

¹⁸ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹⁹ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

²⁰ See 19 CFR 351.310(c).

²¹ See 19 CFR 351.310.

²² See 19 CFR 351.310(c).

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

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Appendix II

Scope of the *Order*

The merchandise covered by the *Order* is aluminum common alloy sheet (common alloy sheet), which is a flat-rolled aluminum product having a thickness of 6.3 mm or less, but greater than 0.2 mm, in coils or cut-to-length, regardless of width. Common alloy sheet within the scope of the *Order* includes both not clad aluminum sheet, as well as multi-alloy, clad aluminum sheet. With respect to not clad aluminum sheet, common alloy sheet is manufactured from a 1XXX-, 3XXX-, or 5XXX-series alloy as designated by the Aluminum Association. With respect to multi-alloy, clad aluminum sheet, common alloy sheet is produced from a 3XXX-series core, to which cladding layers are applied to either one or both sides of the core.

Common alloy sheet may be made to ASTM specification B209-14, but can also be made to other specifications. Regardless of specification, however, all common alloy sheet meeting the scope description is included in the scope. Subject merchandise includes common alloy sheet that has been further processed in a third country, including but not limited to annealing, tempering, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the *Order* if performed in the country of manufacture of the common alloy sheet.

Excluded from the scope of the *Order* is aluminum can stock, which is suitable for use in the manufacture of aluminum beverage cans, lids of such cans, or tabs used to open such cans. Aluminum can stock is produced to gauges that range from 0.200 mm to 0.292 mm, and has an H-19, H-41, H-48, or H-391 temper. In addition, aluminum can stock has a lubricant applied to the flat surfaces of the can stock to facilitate its movement through machines used in the manufacture of beverage cans. Aluminum can stock is properly classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7606.12.3045 and 7606.12.3055.

Where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set for the above.

Common alloy sheet is currently classifiable under HTSUS subheadings 7606.11.3060, 7606.11.6000, 7606.12.3090, 7606.12.6000, 7606.91.3090, 7606.91.6080, 7606.92.3090, and 7606.92.6080. Further, merchandise that falls within the scope of these investigations may also be entered into the United States under HTSUS subheadings 7606.11.3030, 7606.12.3030, 7606.91.3060, 7606.91.6040, 7606.92.3060, 7606.92.6040, 7607.11.9090. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.